

SB2213



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

SB2213

Introduced 2/14/2008, by Sen. Kirk W. Dillard

SYNOPSIS AS INTRODUCED:

760 ILCS 5/4.26

Amends the Trusts and Trustees Act. Makes a technical change in a Section concerning small trust termination.

LRB095 14973 AJO 40918 b

A BILL FOR

1 AN ACT concerning civil law.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Trusts and Trustees Act is amended by
5 changing Section 4.26 as follows:

6 (760 ILCS 5/4.26)

7 (This Section may contain text from a Public Act with a
8 delayed effective date)

9 Sec. 4.26. Small trust termination. To terminate the ~~the~~
10 trust and distribute the trust estate, including principal and
11 accrued and undistributed income, if the trustee determines, in
12 the trustee's sole discretion with the consent of the
13 recipients, that the market value of a trust is less than
14 \$100,000 and that the costs of continuing the trust will
15 substantially impair accomplishment of the purpose of the
16 trust.

17 Distribution shall be made to the persons then entitled to
18 receive or eligible to have the benefit of the income from the
19 trust in the proportions in which they are entitled thereto, or
20 if their interests are indefinite, to those persons per stirpes
21 if they have a common ancestor, or if not, then in equal
22 shares. The trustee shall give notice to the persons at least
23 30 days prior to the effective date of the termination.

1 If a particular trustee is an income beneficiary of the
2 trust or is legally obligated to an income beneficiary, then
3 that particular trustee may not participate as a trustee in the
4 exercise of this termination power; provided, however, that if
5 the trust has one or more co-trustees who are not so
6 disqualified from participating, the co-trustee or co-trustees
7 may exercise this power.

8 This Section shall not apply to the extent that it would
9 cause a trust otherwise qualifying for a federal or State tax
10 benefit or other benefit not to so qualify, nor shall it apply
11 to trusts for domestic or pet animals.

12 The provisions of this amendatory Act of the 95th General
13 Assembly apply to all trusts created before, on, or after its
14 effective date.

15 (Source: P.A. 95-605, eff. 6-1-08.)

16 Section 95. No acceleration or delay. Where this Act makes
17 changes in a statute that is represented in this Act by text
18 that is not yet or no longer in effect (for example, a Section
19 represented by multiple versions), the use of that text does
20 not accelerate or delay the taking effect of (i) the changes
21 made by this Act or (ii) provisions derived from any other
22 Public Act.